



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

09/396,005

09/13/1999

KHAI HEE KWAN

6815

23336

7590

03/01/2013

KHAI HEE KWAN
P.O.BOX 1178
SANDAKAN, 90713
MALAYSIA

EXAMINER

AUGUSTIN, EVENS J

ART UNIT

PAPER NUMBER

3685

MAIL DATE

DELIVERY MODE

03/01/2013

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte KHAI HEE KWAN

Appeal 2010-002044
Application 09/396,005
Technology Center 3600

Before HUBERT C. LORIN, ANTON W. FETTING, and
JOSEPH A. FISCHETTI, *Administrative Patent Judges*.

LORIN, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Khai Hee Kwan (Appellant) seeks our review under 35 U.S.C. § 134 (2002) of the final rejection of claims 13, 14, 33-35, 38-40, 43-46 and 48-52¹. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

SUMMARY OF DECISION

We AFFIRM-IN-PART.²

THE INVENTION

The invention relates to “a method, apparatus[,] and program to make payment in any currencies through a communication network such as a telephone service or data service such as the Internet.” Spec. 2:3-5.

Claim 13, reproduced below, is illustrative of the subject matter on appeal.

13. An user to user payment method over a network under payer’s control, comprising:

providing an Internet System connected to a host server having a database to transfer stored funds in any currencies over said network, said method executable at said host server comprising:

prompting payer to input payer’s account identifier and password;

authenticating the payer’s account identifier and password for validity;

¹ Claims 26, 36, and 41 are indicated as allowable. Ans. 2.

² Our decision will make reference to the Appellant’s Appeal Brief (“App. Br.,” filed April 18, 2009) and Reply Brief (“Reply Br.,” filed September 9, 2009), and the Examiner’s Answer (“Ans.,” mailed August 19, 2009).

prompting the payer to input payee's account identifier and fund transfer information;

receiving said payee's account identifier and said fund transfer information;

upon authenticating the payee's account identifier, instantly crediting the fund to the payee's account upon determining balance in the database associated with the payer account identifier and password is more than the fund for transfer;

instantly debiting the balance associated with the payer's account identifier and password in the database with said fund transferred to said payee's account;

whereby said stored fund is deposited from a prepaid card into an account linked to an user created identifier; and

whereby said transfer is made without interacting with said payee and independently of said prepaid card.

THE REJECTION

The Examiner relies upon the following as evidence of unpatentability:

Katz	US 6,424,706 B1	Jul. 23, 2002
Walker	US 6,138,106	Oct. 24, 2000

The following rejection is before us for review:

1. Claims 13, 14, 33-35, 38-40, 43-46 and 48-52 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Katz and Walker.

ISSUE

Did the Examiner set forth a prima facie case of obviousness for the claimed subject matter over the cited prior art?

FINDINGS OF FACT

We rely on the Examiner's factual findings stated in the Answer. Additional findings of fact may appear in the Analysis below.

ANALYSIS

Katz is directed to the use of stored value accounts such as prepaid calling cards. Claim 13 is drawn to a method whereby a payer pays a payee by inputting payer/payee account identifiers and fund transfer information and funds are debited from the payer account's stored fund and credited to the payee account. Significantly, according to claim 13 "said stored fund is deposited from a prepaid card into an account linked to an [*sic*] user created identifier." The Examiner's position is that Katz discloses all the limitations in claim 13.

In particular the Examiner finds that column 4, line 42 of Katz discloses the claim limitation "whereby said stored fund is deposited from a prepaid card." Ans. 5. However, the claim limitation in its entirety is: "said stored fund is deposited from a prepaid card into an account linked to an user created identifier." The relied-upon disclosure at column 4, line 42 of Katz mentions "prepaid stored value accounts" but does not further describe depositing a stored fund from a prepaid card, let alone depositing a stored fund from a prepaid card into an account linked to a user created identifier. The Examiner does argue in response to the Appellant's arguments that various Katz passages at columns 17-19 and 21 "teach the aspect of an account linked to a user created identifier" (Ans. 8). But the question is not whether user created identifiers or accounts linked thereto or even smart cards (*see* Katz, col. 4) are known, but whether it would have been obvious

to one of ordinary skill in the art to deposit a stored fund from a prepaid card into an account linked to a user created identifier. The Examiner has not provided adequate reasoning explaining how one of ordinary skill in the art would be led to a method as claimed whereby “said stored fund is deposited from a prepaid card into an account linked to an user created identifier” and for that reason the rejection is not sustained. A prima facie case of obviousness has not been made out in the first instance.

The same claim limitation is in independent claims 34 and 39 and was rejected in the same way claim 13 was rejected. Ans. 3-7. We reverse the rejection of claims 34 and 39 for the same reasons we reverse the rejection of claim 13. We reach the same conclusion as to the rejection of dependent claims 14, 33, 35, 38, 40, 43-46, and 50-52.

We reach a different conclusion as to claims 48 and 49. Unlike the claims discussed above, the subject matter of these claims is not limited to the use of a “prepaid card.” These claims call for “stored funds [being] deposited without using [a] payer’s bank account.” This claim limitation reasonably broadly covers providing funds for storage in the host server’s database via any number of ways – including funds transfer from any account other than the payer’s bank account. There is no dispute that Katz discloses electronic funds transfer (*see* col. 3, ll. 27-47) and it is generally well known to those of ordinary skill that money can be transferred from any one account to another.

The Appellant challenges the rejection of claims 48 and 49 over Katz, but the arguments are unpersuasive as to error in the rejection. The Appellant argues the user practicing the Katz method would not create their own subscriber identifier. App. Br. 27. However, this is implicit in the Katz

(col. 17, ll. 50-51) teaching of prompting for a subscriber ID/PIN which, as is generally known, is normally preceded by subscriber/payer creating them. The Appellant also argues that Katz uses a prepaid calling card rather than a card with stored funds. App. Br. 27. As a matter of fact, Katz (col. 4, l. 8) does indeed disclose smart cards with stored funds – not an especially new concept at the time of the invention (2009). Nevertheless, claims 48 and 49 make no mention of cards, and thus the argument is not commensurate in scope with what is claimed. Lastly, the Appellant argues that in Katz the same payer and payee “could” (App. Br. 27) be involved. But “the applicant concedes, the payer subscriber and payee subscriber should be different persons” (App. Br. 27).

For the foregoing reasons, the rejection of claims 48 and 49 is sustained.

CONCLUSIONS

The rejection of claims 13, 14, 33-35, 38-40, 43-46 and 50-52 under 35 U.S.C. § 103(a) as being unpatentable over Katz and Walker is reversed.

The rejection of claims 48 and 49 under 35 U.S.C. §103(a) as being unpatentable over Katz and Walker is affirmed.

DECISION

The decision of the Examiner to reject claims 13, 14, 33-35, 38-40, 43-46 and 48-52 is affirmed-in-part.

Appeal 2010-002044
Application 09/396,005

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED-IN-PART

hh